

Big Update: August 2017



Bowden Investment Group

Faculty Advisors

Dr. Delbert Goff
Mr. David Thompson, CFA

BIG Members

Jeff Bennett
Luke Deyton
Sean Grune
Andrew Hanley
Amalia Miles
Christopher Miller
John Miller
Stephen Potter
Johnathan Smith
Caitlin Solter
Daniel Sullivan
Phuong Vu

For information about the Bowden Investment Group, please contact:

Dr. Delbert Goff
Goffdc@appstate.edu
(828) 262-6188

For more information on this update, please contact:

Jeff Bennett
bennettjd3@appstate.edu

Amalia Miles
milesam@appstate.edu

Jonathan Smith
smithjr4@appstate.edu

Letter from Advisors

Once again we are honored to welcome new members to the Bowden Investment Group. The students entered the fall semester after a busy summer. In addition to the summer work assignments required for the Bowden Investment Group, all students participated in internships or other meaningful summer experiences.



For the seventh consecutive year we kicked off the semester with The BIG Day, a full day experience with a focus on team building and professional development. Students started the day with discussions on business professional skills followed by an etiquette luncheon. The afternoon was filled with a team building exercise organized by the ASU Outdoor Programs Department. This exercise involved climbing the Alpine Tower, a fifty foot, pyramid-shaped climbing structure. The exercise requires teamwork and trust, each climber's safety is in the hands of other team members. Finally, we completed the day with a reception and dinner where the students had the opportunity to interact with colleagues, professors, and administrators in a relaxed, informal atmosphere.

We are at the beginning of our eighth year working together on the Bowden Investment Group. By combining our strengths we have been able to give students in the BIG an experience that is unparalleled. We are very pleased that the participants have responded well to the program and have excelled both as students and as alumni. We are excited about the new group of students and look forward to working with them in the coming months. We also look forward to the challenge that they will give us as we push them to excel and reach their full potential.

A BIG thanks to everyone who contributes to the success of the Bowden Investment Group. To our BIG students, alumni, friends, supporters, and faculty colleagues, we thank you.

Sincerely,
Delbert Goff, Ph.D.
David Thompson, CFA

Alumni Spotlight: BIG Class 2016-2017 Employment



We are proud of last year's BIG class and their success finding employment in areas of interest. Here is an update with what each member is currently doing.

Hollie Brown - GCMAP – Bank of America
Matt Burns - FMAP offer – Bank of America
Harrison Gillette - Portfolio Management Assistant – US Trust
Ben Haskell - Internal Audit – Wells Fargo
Jarrett Jacumin - FMAP – Bank of America
James Marlowe - Appalachian State – Not seeking employment
John Moser - Internship – Dimensional Fund Advisors
Logan Newman - FMAP – Bank of America
Charles Plummer - FMAP – Bank of America
John Rucker - Finance Leadership Program – MSC Industrial Supply Co.
Mac Shelton - Analyst – Triangle Capital
Ana Silverstein - FMAP – Bank of America
Jewell Ward - FMAP – Bank of America

Letter from BIG Members

The members of the 2017 – 2018 Bowden Investment Group are prepared for a successful and productive year. The 12 members each bring a unique skill set and background to the group. Over the summer, the members held internships throughout the state of North Carolina, across the country and abroad – with one member studying in Japan.

This summer members were given the opportunity to complete a course in financial modeling and valuation. We created our first complete financial models along with a Discounted Cash Flow (DCF) Model. This knowledge has already proven valuable as we applied it early in the semester. We are thankful for the contributions our donors have given the BIG, allowing us to learn valuable skills from Wall Street Prep.

The 7th annual BIG Day was a memorable experience. We began the day learning professional skills and received advice from Mr. Thompson and Ms. Linda Matney. They shared knowledge and experiences from their time at WEDGE Capital Management. It was followed by an etiquette lunch led by Ms. Janet Woodson, owner of La-tea-da's Catering. She shared her hospitality expertise and answered questions from BIG members regarding dining etiquette. Following lunch, members met at Camp Broadstone to climb the Alpine Tower and practice working as a team. The day was concluded in Linville with a casual dinner at Mr. Thompson's home.

The annual BIG New York trip is just weeks away. We are gaining portfolio knowledge and polishing our professional skills as we prepare for meetings with industry professionals. We are looking forward to the BIG elections where defined roles and responsibilities will be established to utilize each member's unique skill set. The ball is already rolling and we are motivated to outperform the S&P 500. We are humbled by the opportunity to be BIG members and look forward to gaining academic and industry knowledge from Dr. Goff and Mr. Thompson.

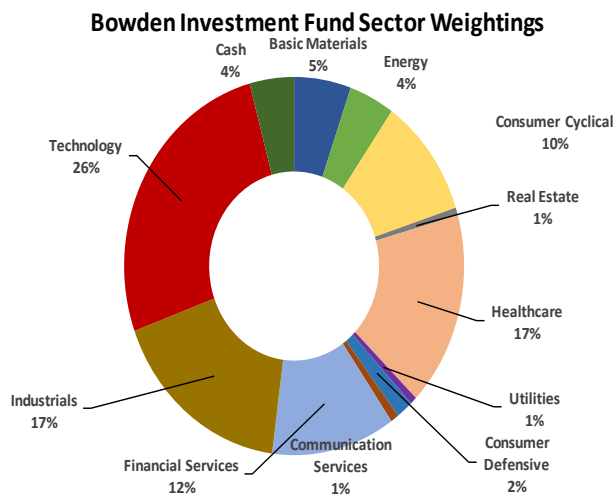
-Bowden Investment Group Members, Class of 2017 – 2018

Summer Portfolio Review

The four months since the last BIG Update have been volatile times for the market and the Bowden Investment Fund. From the North Korean nuclear tensions to destruction from hurricane Harvey, there has been uncertainty around the world. We saw all-time highs in the markets and in the BIF - reaching a value over \$145,000 for the first time. However, we saw a pullback in mid-July with what we believe to be profit taking from investors fearing overvaluation. The uncertainty surrounding Trump administration's ability to pass legislation is also contributing to volatility. Specifically, with the failed vote to repeal the Affordable Care Act and speculation on upcoming tax reform. The Bowden Fund had a compound return of 5.59% over the summer, May to August, compared to a 4.46% compound return of the S&P.

Over the summer, Valeant Pharmaceuticals and Visa saw the highest returns. While performing well, Valeant continues to show its volatility due to uncertainty around the company's operations and debt load. The Bowden Investment Group will continue following the stock closely. The second half of the summer was tough on technology stocks following all-time highs. Investors feared a market correction and took profits on a perceived overvaluation of stocks.

Looking forward, the important economic issues to consider are the possible scarcity of oil, natural disaster threats, global tensions with North Korea and the potential of an interest rate hike from the Fed.



Year to Date Returns

Bowden Investment Fund

10.98%

S&P 500

11.95%

August Returns

Ticker	Return
MU	12.81%
PPA	3.21%
VISA	2.79%
FB	1.24%
FIS	1.14%
GOOGL	0.92%
IVV	0.06%
CMP	0.04%
NVS	-1.23%
AMZN	-1.56%
CCJ	-2.43%
VFH	-2.73%
SYK	-4.40%
IAT	-4.64%
NWL	-7.90%
JTBL	-9.87%
TTEK	-11.16%
VRX	-19.88%

Total BIF Value

\$139,461.27

For an up-to-date view of the BIF, [click here](#)

